Testimony on SB 432: The Renewable Fuels and Energy Independence Act Presented by: Helen Waller, Circle, Montana House Committee on Transportation March 26, 2007

RESOURCE COUNCIL

Good afternoon, Mr. Chairman and members of the committee. My name is Helen Waller. My husband Gordy and I have operated our farm in McCone County since 1954. I am representing the Northern Plains Resource Council and I am speaking in support of SB 432.

Rural economies throughout Montana are struggling to survive and are searching for development opportunities that will provide employment and allow our rural people to prosper. Biodiesel production holds this promise, as has been successfully demonstrated in neighboring states. The development of a vibrant biodiesel industry in Montana, particularly when that industry is made up of locally owned and operated production facilities, can deliver rural prosperity.

Like many counties in Eastern Montana, McCone County is in a state of decline. Between 1990 and 2000, we lost over 13% of our population, and the trend continues downward. Job growth is stagnant; with a net increase of only 10 jobs between 2001 and 2004, and with farm and construction jobs declining almost 25% in the same period. The value of our agricultural production is declining, falling 7% between 1997 and 2002. We produce grain that is shipped, at great expense, out of state and internationally, without capturing our fair share of its real value to benefit the people of Montana.

SB 432 represents an economic boon for Eastern Montana, a part of the solution that will restore the vitality of our communities and our way of life. The bill will help create a stable market for a diversity of oilseed crops that can be successfully grown in Montana. Our Agricultural Experiment Station scientists have done exceptional work over the years to improve various oilseed crops.

In order to see the potential that the biodiesel industry holds for Montana, we need only look to the State of Minnesota. Minnesota adopted a 2% biodiesel standard in 2003, and it went into effect in 2005. They now produce nearly 70 million gallons of biodiesel every year, creating over 5,000 jobs and bringing over \$900 million in economic benefits to the state. Researchers at Montana State University in Billings predict that a single biodiesel plant in Eastern Montana could create 31 new permanent jobs at the plant site alone, and numerous temporary and other permanent jobs in the region. Just imagine what one of those plants could do for Circle, or Sidney, or Glendive, or any of a number of cities throughout Montana.

Last year, our farm equipment was fueled with biodiesel and it worked very well for us. Unfortunately, we had to have it trucked in from North Dakota. I look forward to fueling up with biodiesel that has been produced in Montana refineries from oilseeds grown on our own farm and the farms of my neighbors.

Locally raised oilseed crops used for feedstock in locally owned and operated biodiesel facilities and consumed by local folks is an example of energy self-reliance at its best. It will put Montanans to work, keep Montanans on their farms, and keep our money at home. Some people call this bill a mandate. I call it leadership, putting Montana in the forefront as we move to a new, sustainable energy economy that benefits the people of our state.

I urge you to support SB 432.

Thank you.